

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

February 27, 2008

3:06 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Vice Chair
Representative Carl Gatto
Representative Gabrielle LeDoux
Representative Robert L. "Bob" Buch
Representative Berta Gardner

MEMBERS ABSENT

Representative Kurt Olson, Chair
Representative Jay Ramras

COMMITTEE CALENDAR

HOUSE CONCURRENT RESOLUTION NO. 20
Encouraging the installation of fire sprinkler systems in residences.

- MOVED HCR 20 OUT OF COMMITTEE

HOUSE BILL NO. 382
"An Act relating to the sale by jewelers of jewelry containing gold."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HCR 20

SHORT TITLE: RESIDENTIAL FIRE SPRINKLER SYSTEMS

SPONSOR(S): REPRESENTATIVE(S) SEATON

01/31/08	(H)	READ THE FIRST TIME - REFERRALS
01/31/08	(H)	L&C, STA
02/27/08	(H)	L&C AT 3:00 PM CAPITOL 17

BILL: HB 382

SHORT TITLE: SALES OF GOLD JEWELRY

SPONSOR(S): REPRESENTATIVE(S) CHENAULT

02/19/08	(H)	READ THE FIRST TIME - REFERRALS
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02/19/08 (H) L&C, RES
02/27/08 (H) L&C AT 3:00 PM CAPITOL 17

WITNESS REGISTER

REPRESENTATIVE PAUL SEATON
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Testified as the prime sponsor of HCR 20.

CRAIG GOODRICH, Fire Chief
Anchorage Fire Department
Anchorage, Alaska

POSITION STATEMENT: Testified on HCR 20.

JEFF BRIGGS
Alaska Professional Firefighters Association (APFA)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HCR 20.

DOUG SCHRAGE, President
Alaska Fire Chiefs Association (AFCA)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HCR 20.

WARREN CUMMINGS, Fire Chief
City of Fairbanks Fire Department
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HCR 20.

KELLY NICOLELLO, Assistant Fire Marshal
Division of Fire and Life Safety
Central Office

Department of Public Safety (DPS)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HCR 20.

SARAH MCNAIR-GROVE
Actuary P/C
Juneau Office
Division of Insurance
Department of Commerce, Community, & Economic Development
(DCCED)
Juneau, Alaska

POSITION STATEMENT: Testified on HCR 20.

PAULA SCAVERA, Special Assistant

Office of the Commissioner
Department of Labor & Workforce Development (DLWD)
Juneau, Alaska

POSITION STATEMENT: Testified on HCR 20.

TOM WRIGHT, Staff
to Representative Mike Chenault
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 382 on behalf of the prime sponsor, Representative Mike Chenault.

GAIL PHILLIPS
Homer, Alaska

POSITION STATEMENT: Testified on HB 382.

GAIL EDGERTON, Owner
Double J Mining and Jewelry
Wasilla, Alaska.

POSITION STATEMENT: Testified on HB 382.

ACTION NARRATIVE

VICECHAIR MARK NEUMAN called the House Labor and Commerce Standing Committee meeting to order at [3:06:08PM](#). Representatives Buch, Gardner, LeDoux, and Neuman were present at the call to order. Representatives Gatto arrived as the meeting was in progress.

HCR 20-RESIDENTIAL FIRE SPRINKLER SYSTEMS

[3:06:33 PM](#)

VICE-CHAIR NEUMAN announced that the first order of business would be HOUSE CONCURRENT RESOLUTION NO. 20, Encouraging the installation of fire sprinkler systems in residences.

REPRESENTATIVE PAUL SEATON, Alaska State Legislature, stated that he would begin his presentation with a short video presentation.

REPRESENTATIVE SEATON offered several video clips that will demonstrate the safety aspects that HCR 20 promotes. He showed the video clips.

[3:11:13 PM](#)

The committee took an at-ease from 3:11 p.m. to 3:12 p.m.

3:12:04 PM

REPRESENTATIVE SEATON related an experience he had that demonstrated the sprinkler system. The system puts out a fine water mist and activates with a lower temperature rate than smoke alarm systems. If fire sprinkler systems were installed in homes in the kitchen, boiler, or furnace rooms and adjacent to the fireplace, the systems would cover approximately 85 percent of the fire hazards in a non-smoking household. He explained the purpose of HCR 20 is to save lives and prevent millions of dollars in property loss. The Fire Marshal has developed a pilot program to recognize levels of fire protection installed in single family dwellings in the state called the Residential Safety Star Program. Under the program, residents who install partial or complete fire protection sprinkler systems can obtain recognition ranging from the Bronze Star to a Platinum Star rating.

REPRESENTATIVE SEATON explained that as the video clip demonstrated, the fire sprinkler head is easily installed in the regular plumbing system, and each sprinkler covers about a 12 foot diameter when activated. The Department of Labor & Workforce Development (DLWD) would work with the Fire Marshal's office to provide training to plumbers in order to avoid the need for specialized fire installers. He referred to a handout in the committee packet labeled "Fire Deaths Year Comparison." He noted that there were 20 deaths in Alaska in 2005, 21 deaths in 2006, and 24 deaths in 2007. He opined that the majority of these fatalities could have been prevented. The majority of fires are caused by unattended cooking and combustibles too close to heat sources. The installation cost is minimal. Fire sprinklers are about \$35 per sprinkler head, he noted. He related that he has even installed sprinklers in his boat since they can withstand heating and thawing conditions. He explained the ease in installing sprinkler heads. He also offered that HCR 20 would encourage insurance companies to recognize the benefits of fire protection offered by the fire sprinkler system.

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VICE-CHAIR NEUMAN inquired as to whether the fire sprinkler system needs to be installed by qualified installers as mentioned in the packet information provided by the state's Fire Marshal. Alaskans often like to build their own homes and he'd

like to see homeowners be able to do the installation, he opined.

REPRESENTATIVE SEATON answered that the sprinklers are easy to install as evidenced by the video clip. He explained that it is most important to get people to install the fire suppression systems. He noted that the Residential Fire Sprinkler Incentive Program, or "gold star program" would require the sprinkler system to be installed or inspected by a plumber. Although, nothing prevents a person from installing the fire sprinkler system, he recommended that a qualified plumber inspect and certify the system to ensure that the sprinkler heads are installed correctly and to qualify under the "gold star program."

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VICE-CHAIR NEUMAN related his experiences with systems that need a required flow to sustain the system, to maintain a certain pressure, and he wondered whether the system needed a backup capacity.

REPRESENTATIVE SEATON explained that HCR 20 would apply to residential and not commercial buildings. While it is not 100 percent effective, the residential fire protection offered is very good. For those who are building new homes, a more elaborate federal program for certified sprinkler systems is currently in place. However, the cost is high and the stringent requirements tend to keep people from using the national program. Using residential sprinkler heads will offer homeowners protection against loss of life and property, he opined.

VICE-CHAIR NEUMAN inquired as to whether the sprinklers are feasible for retrofitting mobile homes. He further inquired whether HCR 20 would help lower insurance rates in rural areas.

REPRESENTATIVE SEATON offered that HCR 20 will encourage homeowners to install inexpensive fire sprinkler systems in their homes, at least in the high risk rooms such as the kitchen and furnace rooms to increase safety for residences. The sponsor related that he doesn't have an expectation that these sprinkler systems will be as effective as the expensive systems installed in new homes that adhere to more stringent national standards. However, he stressed the importance of adding sprinklers to enhance fire protection in existing homes.

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REPRESENTATIVE LEDOUX inquired as to whether the sponsor should consider a program to be incorporated in a bill form along with a fiscal note instead of this resolution.

REPRESENTATIVE SEATON answered that the purpose of HCR 20 is to educate and encourage residents, which fits in well with the Fire Marshal's pilot program, he opined. He said he anticipates some insurance companies will recognize and encourage people to install fire sprinklers by offering them reduced rates.

REPRESENTATIVE LEDOUX referred to the last resolve clause of HCR 20, which speaks to developing a program and a curriculum to train licensed plumbers to install residential fire sprinkler systems. She inquired as to whether funding is necessary to accomplish HCR 20.

REPRESENTATIVE SEATON acknowledged that some of the training is already available in existing curriculum. This resolution would encourage the departments to work together, he opined.

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REPRESENTATIVE SEATON, in response to Representative Gatto, responded that he brought along a recessed sprinkler for members to examine.

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REPRESENTATIVE GATTO recapped causes of residential fires, including unattended cooking, smoking cigarettes, and candles. He pointed out that water damage can result in expensive repairs. He expressed concern that during power outages, if the sprinkler freezes that it would render the sprinkler useless. While he supports installing sprinkler systems, he noted that smoke detectors are important in saving lives, especially ones with hard wired alarms.

[3:35:49 PM](#)

REPRESENTATIVE GARDNER related her understanding of HCR 20 such that the resolution supports the current efforts to create a model program, requests insurance companies to provide reduced insurance rates for homeowners who have installed fire sprinkler systems, and requests that the Division of Insurance should recognize incentives for homeowners. She inquired as to the

method that the Division of Insurance would use to recognize incentives for homeowners. She further inquired how the homeowner would shut off a sprinkler system once a fire is extinguished.

REPRESENTATIVE SEATON answered that the homeowner would turn off the sprinkler system by turning off the main water to the house. He offered that as seen in the video clip, the system releases 10 to 15 gallons a minute as compared to 100 gallons a minute from a firefighter's hose.

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REPRESENTATIVE BUCH offered that mechanisms such as a ball valve can assist homeowners in stopping water flow. He pointed out the importance of homeowners to contact qualified plumbers to install the sprinklers. He related his understanding that the resolution supports, but does not require action. However, since lives are saved with the installation of these systems, HCR 20 would help protect families. He related his further understanding that homeowners who install the systems can demonstrate to insurance companies the safeguards provided by the sprinkler systems, which may translate into savings on premiums.

REPRESENTATIVE SEATON agreed that HCR 20 does not mandate the sprinkler systems. Some insurance such as State Farm Insurance are interested in homeowners installing sprinkler systems since the companies want to protect consumers and have fewer fires happen. He further offered that the sprinklers do not have a history of randomly activating without a fire present.

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VICE-CHAIR NEUMAN expressed concern that homeowners doing their own installations might not qualify for the Fire Marshal's "gold star program." He referred the first whereas clause on page 2, line 3 of HCR 20, which identifies that a licensed plumber can install sprinkler systems.

REPRESENTATIVE SEATON referred page 2, line 4-5, of HCR 20, which read, "ignition sources and can verify the existence of residential fire sprinkler systems to the state fire marshal; and". He explained that a homeowner could do the installation and have a certified licensed plumber check the system. The plumber could verify to the fire marshal that the system is appropriately installed.

3:47:14 PM

CRAIG GOODRICH, Fire Chief, Anchorage Fire Department, offered that he previously has served as Fire Marshal and as the Executive Director of Fire Industrial Safety and Health for Alyeska Pipeline Service Company. As Fire Marshal, he served as committee chair on the Fire Marshals of North America committee for sprinkler systems. While he said he does not purport to be an expert, he said he does have extensive experience with fire suppression systems. He related that the North Slope Borough (NSB), has been "sprinkling" and has had a zero square foot ordinance for almost two decades. Due to construction costs of \$500 per square foot at 1992 rates, the NSB could no longer afford to replace its residences, he opined. Since 1992, the NSB has not had a single fire fatality in any building that uses a sprinkler system. The systems that the NSB uses are similar to the ones proposed in HCR 20. He characterized the program in HCR 20 as a great model. He answered an earlier question by noting that there are several products that can withstand freezing and thawing. He opined that while smoke detectors are valuable, a sprinkler system that covers the kitchen and furnace areas of a home is infinity better.

3:51:37 PM

JEFF BRIGGS, Alaska Professional Firefighters Association (APFA), stated that the APFA is in support of HCR 20. Nationally, few deaths occur in buildings with working sprinkler systems. Not only are they proven to save lives, but they also save millions of dollars in property loss. He opined that one day all buildings will be required to have sprinkler systems installed just as currently all residences must have smoke and carbon monoxide detectors. He explained that during his career he has observed many fires that have been contained by sprinkler systems. He related an example in which a fire started in a boiler in a garage and melted the solder in the copper piping. The leaking water acted as sprinkler system. In 2006, Alaska had 21 fire fatalities, 20 of which were in residences. He noted that this is nearly 3 times national average per hundred thousand in population. He concluded that the APFA believes that HCR 20 is a step in the right direction.

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CHIEF GOODRICH, in response to Representative Gatto, explained that dry-pipe refers to a fairly sophisticated mechanical

engineering system. The dry-pipe is where the sprinkler system is charged with compressed air and is a system often used in buildings in which the temperature may fall below freezing. In the dry-pipe system, there is a time delay as the compressed air is discharged first from the sprinkler heads before the water.

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DOUG SCHRAGE, President, Alaska Fire Chiefs Association (AFCA), stated that he is also the Operating Chief, Anchorage Fire Department, but he is only representing the AFCA today. He offered that AFCA strongly advocates sprinkler programs and anything that promotes their use, which is why AFCA supports HCR 20. Although fire sprinklers should be mandated in some circumstances and areas, the AFCA recognizes this may not be realistic for all communities. Smoke detectors and carbon monoxide detectors have value, he opined, and the fire department's mission is to save lives and property. However, sprinklers add a component to protect property that smoke detectors cannot provide. Residential fire sprinklers will help to protect Alaska's population, he opined. He concluded with the statement that, "Alaska has one of the highest per capita death rate from fires."

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WARREN CUMMINGS, Fire Chief, City of Fairbanks Fire Department, stated that that the City of Fairbanks Fire Department supports HCR 20 since it is one of the tools that can save lives. He offered that fires kill more people in the United States than all natural disasters. He offered that 80 percent of all fire deaths occur in the home. The single most cost effective way to prevent fire deaths in residences is by installing fire sprinkler systems, he opined. Combined with smoke alarms, fire sprinklers cut the risk from fire deaths in the home by 82 percent, he opined. If a fire does occur, homeowners can expect 90 percent lower financial losses than those without sprinkler systems. He noted that one to two sprinkler heads installed in a home can save homes. Only the sprinkler closest to the fire will activate, he noted. Of the 10 fire fatalities in Fairbanks in the last 12 years, 9 lives would have been saved if sprinkler systems had been present, he opined. Builders would put sprinklers in homes if the systems increase value of home, he opined. Encouraging installation of sprinklers can be achieved through building code requirements and incentives such as insurance breaks. He related that he personally has had a system in his home since 1980. Initially the insurance company

threatened to raise the rates initially but insurance companies have recognized the value of sprinkler systems. Although he obtains a tax rebate from the Fairbanks North Star Borough for his sprinkler system, the system is currently valued at the initial cost. Thus, while his home has tripled or quadrupled in value, the tax relief is not valued at current appraisal rates, but should be, he opined. The City of Fairbanks Fire Department supports passage of HCR 20.

[4:02:13 PM](#)

KELLY NICOLELLO, Assistant Fire Marshal, Division of Fire and Life Safety, Central Office, Department of Public Safety (DPS), stated that according to the United States Fire Administration, in 2005 alone the U.S. suffered 396,000 residential fires incurring 3,055 deaths. The DPS finds these statistics unacceptable. This proposed resolution recognizes the levels of fixed fire protection installed in single family dwellings. This policy is embodied in the Residential Safety Star Program, he noted. To attain the appropriate level of recognition, the fixed protection system shall be installed by qualified installers, permitted in 13 AAC 50.035, or otherwise approved by the manufacturer with concurrence of the SFMO. The society needs to change its culture, he suggested. Too long our society has awarded victim status to people who have had fires occur in their homes, he opined. Firefighters and other family members' lives are risked due to acts of carelessness which are rewarded by an outpouring of compassion, positive affirmation, and financial assistance, he further opined. He asked, "Shouldn't we reward positive proactive outcomes rather than rewarding negative results?" This resolution would bring forth a voluntary, positive, individual approach to fire safety in our homes and would provide the means to reward families who install residential fire sprinkler suppression system. He urged members to support HCR 20.

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VICE-CHAIR NEUMAN, after first determining no one else wished to testify, closed public testimony on HCR 20.

SARAH MCNAIR-GROVE, Actuary P/C, Juneau Office, Division of Insurance, Department of Commerce, Community, & Economic Development (DCCED), in response to Representative Gardner, stated that the division recognizes the [Residential Safety Star] Program by reviewing rates that insurance companies charge in Alaska. The division would also check for sprinkler credits

when the companies file their rating plans. She offered that several companies currently offer such approved credits.

[4:06:35 PM](#)

MS. MCNAIR-GROVE, in response to Vice-Chair Neuman, agreed that if a homeowner installed his/her own sprinkler system that was inspected by a state licensed building inspector, it would qualify for the program. She added that the division reviewed the language in the approved rules, which states the home must have an appropriately installed sprinkler system. She opined with building inspector approval, the sprinkler system would qualify. In further response to Vice-Chair Neuman, Ms. McNair-Grove explained that the homeowner would get a credit for a sprinkler system. She offered that the rates vary by company between 4-10 percent. She did not believe homeowners would be penalized if they did not have sprinkler systems installed in their homes.

VICE-CHAIR NEUMAN inquired as to whether the division could verify whether Barrow homeowners have received a reduction in insurance rates.

MS. MCNAIR-GROVE answered that her information does not break out rates by location. In further response to Vice-Chair Neuman, Ms. McNair-Grove pointed out that to the extent that fires are reduced in Alaska, the overall losses to the insurance would be reduced, which would also have an effect on premium rates.

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PAULA SCAVERA, Special Assistant, Office of the Commissioner, Department of Labor & Workforce Development (DLWD), stated that she obtains a credit on her homeowner's insurance for having hard wired smoke detectors in her home.

[4:11:06 PM](#)

REPRESENTATIVE GARDNER noted that HCR 20 encourages the DLWD to work with the state Fire Marshal to create a program and a curriculum to train licensed plumbers to install residential fire sprinkler systems. She inquired as to whether this is this a mandate.

MS. SCAVERA answered that the department licenses plumbers, who have special endorsements. The department also has existing

curricula. However, all of the details have not been worked out with the fire marshal's office. She related that if a plumber passed the curriculum, the department would likely have a card or an endorsement. She offered that this is a resolution so it is not mandatory. In further response to Representative Gardner, Ms. Scavera answered that there are many types of curriculum available. She offered she reviewed one that the National Fire Protection Association has developed, which the division is not endorsing, as an example.

[4:13:21 PM](#)

VICE-CHAIR NEUMAN inquired as to whether a plumber would have to have a special endorsement in order to be recognized in the program.

MS. SCAVERA answered that the program is still in a conceptual stage since the division has not yet coordinated the program with the fire marshal's office. In further response to Representative Neuman, Ms. Scavera noted that Alaska has adopted the Uniform Plumbing Code which references sprinkler systems in residences.

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VICE-CHAIR NEUMAN referenced a letter in the packet from the Anchorage Firefighters Local 1264 and read: "The IAFF looks forward to the day when all new residential construction has sprinkler systems. This is a step toward that direction and a step towards saving lives of Alaskan civilians and first responders." Vice-Chair Neuman inquired as to whether the prime sponsor agreed that HCR 20 was a step toward mandatory residential sprinkler systems.

REPRESENTATIVE SEATON answered that is not the intention of HCR 20 to require mandatory sprinkler systems in homes. He reiterated the purpose of HCR 20, which is to create an awareness to help protect homes, children, and families. This resolution is not a stepping stone to mandatory sprinkler systems, he opined. He surmised the IAFF hopes that in the future new houses are all protected.

[4:16:52 PM](#)

REPRESENTATIVE GATTO moved to report HCR 20 out of committee with individual recommendations and the accompanying fiscal notes.

There being no objection, HCR 20 was reported from the House Labor and Commerce Standing Committee.

[4:17:45 PM](#)

The committee took an at-ease from 4:17 p.m. to 4:20 p.m.

HB 382-SALES OF GOLD JEWELRY

[4:20:18 PM](#)

VICE-CHAIR NEUMAN announced that the final order of business would be HOUSE BILL NO. 382, "An Act relating to the sale by jewelers of jewelry containing gold."

[4:20:38 PM](#)

TOM WRIGHT, Staff to Representative Mike Chenault, Alaska State Legislature, began his presentation by stating that HB 382 is not an endorsement of Pebble Mine. This bill was introduced in response to five jewelry retail companies that signed a pledge that states they will not purchase gold that had been mined from the proposed gold and copper mining operation at Pebble Mine. The issue and problem is that these companies signed a pledge before any permitting process has occurred. This bill is an effort to support gold mining industry as a whole. The Pebble Mine project is in the exploratory stage. Retailers cannot currently ascertain the source of their gold. However, next year according to Earthworks-jobs.com and nodirtygold.org jewelers will take steps to establish a chain of custody from mine to store. This bill mandates that Alaskan jewelry retailers may not sell gold products unless the gold was mined within the state.

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VICE-CHAIR NEUMAN inquired as to whether the process of identifying a chain of custody from mine to store would need to be managed by the state.

MR. WRIGHT answered that he did not think it would need state management.

[4:24:13 PM](#)

MR. WRIGHT, in response to Representative Neuman, responded that he thought chain of custody could be regulated within the industry and that the state would not want to monitor origin of gold.

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REPRESENTATIVE LEDOUX related her understanding that some major jewelers such as Tiffany and Co. took issue with Pebble Mine so the result is to criminalize jewelers who sell gold mined outside Alaska.

MR. WRIGHT agreed that is the intent of HB 382.

[4:25:29 PM](#)

REPRESENTATIVE LEDOUX referred to a memo of February 14, 2008, from Theresa Bannister, Legislative Counsel, Legal Services that outlines that HB 382 is unconstitutional based on issues with the equal protection, interstate commerce, and takings. She inquired as to whether the sponsor would like HB 382 to pass or if the bill was introduced to make a statement.

MR. WRIGHT agreed that HB 382 is a statement bill, but that the sponsor is primarily interested in taking a first step to highlight mining issues before the House Judiciary Standing Committee.

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VICE-CHAIR NEUMAN reminded members that the legislature makes the laws and that the memo from legal services [outlines issues for the legislature to consider.]

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REPRESENTATIVE LEDOUX expressed concern in penalizing jewelers due to some complaints by out of state jewelers that have issues with buying gold from a mine that is not yet even permitted.

MR. WRIGHT speculated that HB 382 is subject to change and that the penalty provisions would probably be reduced from a class A misdemeanor to a violation with a lesser fine. This bill is a response to some companies that have been rhetorical.

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REPRESENTATIVE GATTO speculated that groups such as the nodirtygold.org group may expand the realm to other items including diamonds, silver, and platinum.

MR. WRIGHT opined that the Pebble Mine project is in the exploratory stage and yet reactions to the mine are not unlike reactions with any resource industry in the state.

MR. WRIGHT, in response to Representative Gatto, explained that the Seiko watch could not be sold in Alaska if HB 382 were to pass since the gold is not identified.

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REPRESENTATIVE BUCH stated that he desires to address these issues in a tangible way. While he understands the sponsor's intent, he characterized HB 382 as a bill that seems frivolous. He noted the volatile relationship between development and the environment. However, he said he would like to put on the record that he doesn't want to be party to something like this bill. He supports the sponsor refuting what the [jewelers] propose, but he said he was not sure HB 382 is the best method.

[4:31:12 PM](#)

VICE-CHAIR NEUMAN opined that some bills are introduced to facilitate discussions.

[4:31:24 PM](#)

REPRESENTATIVE GARDNER inquired as to the number of jewelers that signed pledges that have retail outlets in Alaska, and how many Alaskan stores carry their products. In further response to Representative Gardner, Mr. Wright advised that some jewelers carry gold nugget jewelry. He reiterated that besides making a statement, discussions may result in a viable bill.

[4:34:39 PM](#)

REPRESENTATIVE LEDOUX inquired as to how much gold is produced in the state and if jewelers could obtain all the gold from in state sources.

MR. WRIGHT answered that there is a lot of gold mined in Alaska but he was uncertain if it could fulfill the need of jewelers statewide.

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REPRESENTATIVE GATTO noted that since Alaska does not have smelting capabilities that all Alaskan gold that is smelted is sent overseas. He inquired as to whether the gold could then be designated as Alaskan gold or if it is comingled.

MR. WRIGHT answered that it probably would not be considered 100 percent Alaskan gold.

[4:36:55 PM](#)

GAIL PHILLIPS stated that she formerly was a member of this body, but that she is also a placer miner from a small family run placer mine in Alaska. She opined that it is great for the legislature to focus on Alaska miners. She thought that HB 382 was a worthwhile instrument to send message to those attacking Alaska. She pointed out that HB 382 could be the beginning of identifying a product similar to the Copper River red salmon that is highly regarded. She applauded the sponsors for supporting Alaska's mining industry.

[4:38:51 PM](#)

GAIL EDGERTON, Owner, Double J Mining and Jewelry, explained that she is a placer miner in eastern interior Alaska and Chicken, Alaska, but has a retail jewelry store in Wasilla. She agreed with Gail Phillip's testimony that it is important to support Alaska's mining industry. She pointed out that most stores sell gold from all over the world. She said she did not know if it is possible to regulate from within the industry. People have a right to buy from where ever and whomever they want, she opined. She loves seeing people buy Alaskan gold. She is bothered by stores that sell gold from other places such as Russia or Australia, but market that gold as being from Alaska, she noted.

[4:41:01 PM](#)

VICE-CHAIR NEUMAN, in response to Representative Gatto, explained that the Silver Hand Program pertains to Alaska Native art and is not associated with any metal.

MS. EDGERTON, in response to Representative Gatto, explained that many pieces of jewelry contain products from all over the world.

VICE-CHAIR NEUMAN noted that the Silver Hand program requires that raw materials originate in Alaska.

[4:42:42 PM](#)

VICE-CHAIR NEUMAN, after first determining that no one wished to testify, announced his intent to hold the bill over for action by the full committee.

[4:43:00 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:43 p.m.